

The Director of Central Intelligence

Washington, D.C. 20505

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18 July 1988

The Honorable Chester Atkins  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Atkins:

This is in reply to your statement and questions submitted for the record on 16 June 1988. Your question (see enclosure) referred to a 14 June briefing to the HFAC Staff by the Director of the DCI Security Evaluation Office, [redacted], and Mr. Robert Lamb, Assistant Secretary for Diplomatic Security. Their meeting actually took place on Monday, 13 June from 1030 to 1230 hours. [redacted]

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First, let us review what the DCI Security Evaluation Office is in broad terms and then address your specific comments and questions. [redacted]

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We should begin the overview by restating that the Secretary of State is the official responsible for the management of embassies and missions abroad. This point was incorporated in the President's directive to Secretary Shultz and the DCI in connection with the establishment of the DCI Security Evaluation Office. [redacted]

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The DCI Security Evaluation Office is to perform an independent audit function, established under the DCI by direction of the President and with the support of the Secretary of State to formulate security standards to protect U.S. diplomatic establishments from intelligence activity and to monitor compliance with those standards. The Secretary of State manages and directs the Department of State and is responsible for security in his diplomatic and consular posts abroad. It is his management prerogative to accept the standards we set and his decision whether to comply with those standards. It is the DCI's responsibility to work with the Secretary to achieve improvements in security abroad. The President directed the DCI to report to him and the Congress concerning these standards and compliance issues. [redacted]

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Now to the specific questions and comments raised in your question for the record.

- The DCI Security Evaluation Office was established 4 April 1988. Our objective is to have an initial operating capability of [ ] people by 1 October 1988 and to complete staffing by April 1989. In the meantime, since April 1988, the accruing staff is involved in various start-up activities. 25X1
- The recruitment of people and the start-up date of the Security Evaluation could not have been a surprise to Assistant Secretary Lamb as you mentioned in your statement for the record. You must have been misinformed on that point. The Director of the Security Evaluation Office discussed recruitment with Mr. Lamb and/or his deputy on 16 March, 4 April, and 3 May. Dates for personnel nominations and milestones for initial operating capabilities were discussed with the entire State Management Council, chaired by Under Secretary Spiers, and attended by Mr. Lamb, on 20 May. A 25 May memorandum from the Security Evaluation Office to Mr. Lamb spelled out in detail the nomination of people by State, NSA, DoD, and CIA. The memorandum also described the October milestone and the goal for full staff by April 1989. Mr. Lamb's responding memorandum of 27 May to the Director of the Security Evaluation Office asked for a description of the duties to be performed by subelements of the office and stated his willingness to offer Diplomatic Security Officers for detail. Those duty descriptions were provided to Mr. Lamb as an attachment to a 3 June memorandum from the Security Evaluation Office. In summary of this point, it appears that someone misinformed you and I hope this detailed explanation lays the matter to rest.
- We have formally requested [ ] positions and \$[ ] in the FY 1989 National Foreign Intelligence Program for the DCI Security Evaluation Office. 25X1
- The Secretary of State is responsible for embassy security.
- The establishment of the DCI Security Evaluation Office was based upon a request that Secretary Shultz and I made to the President in August 1987. We proposed ". . . The head of this unit would be named by and responsible to the DCI, who will report problems and recommendations to the Secretary of State for his action as the person responsible for the management of embassies and missions abroad . . . ." [ ] 25X1

Colin Powell replied 22 October 1987 ". . . The President agrees with your recommendation to establish a unit responsible for setting standards to protect embassies from penetration by foreign intelligence activity, and for monitoring conformity with those standards. The head of the unit will be named by and be responsible to the DCI, who will report problems and recommendations to the Secretary of State for his action as the official responsible for the management of embassies and missions abroad . . . ." [ ] 25X1

As a final observation, may I share a perception as to the appropriateness of the Secretary of State asking the Director of Central Intelligence for assistance in protecting his embassies from foreign intelligence threats. The DCI is responsible for foreign counterintelligence and it is a foreign counterintelligence problem facing our embassies and other State Department establishments. Also, the DCI is responsible for the National Foreign Intelligence Program and has various directive and coordinating authorities that he can bring to bear in assisting the Secretary of State. All of this appears to be consistent with the provisions of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (PL 99-399), especially Section 106, as well as other laws and executive orders.

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Sincerely yours,



William H. Webster

Enclosure

June 16, 1988

Hearing on H.R. 3822, the Intelligence Oversight Act of 1988

Statement and question submitted for the record by Hon. Chester G. Atkins

Mr. Webster, on page 9 of your prepared statement, you address the issue of access by the Foreign Affairs Committee to intelligence information relevant to the Committee's need to such access in order to carry out its oversight and legislative responsibilities. While your statement addresses the issue of the availability of intelligence information generically, you did not address the specific problem raised when intelligence agency activities directly relate to this Committee's legislative jurisdiction pursuant to the Rules of the House.

I will cite one current example of such an activity.

On Tuesday, June 14, 1988, the Committee Staff received a briefing, as requested, from your staff on the formation of a new entity within your agency called the Security Evaluation Office. The briefing also was attended by the Assistant Secretary of State for Diplomatic Security, Robert Lamb.

According to your representatives at the briefing, your Agency is in the process of establishing the "Security Evaluation Office" whose purpose would be to audit overseas embassy security programs and activities and, when necessary, set new embassy security standards. The Committee Staff was told that your Agency intends to have the SEO in operation by October 1, 1988, and that you are in the process of recruiting a substantial number of personnel from other Government Departments, including the State Department, for this purpose. The recruitment and the implementation date seemed to be a surprise to the Assistant Secretary for Diplomatic Security. The Staff was also told that you have informally requested a substantial amount of money to fund the SEO before the Intelligence and Appropriations Committees. These actions raise a number of questions:

As you know, the Committee initiated action of the so-called Inman recommendations on Embassy security at the formal request of the President less than three years ago. That legislation, which stipulated that the Secretary of State is responsible for embassy security, including the setting of standards, became the Omnibus Diplomatic Security and Antiterrorism Act of 1984 (Public Law 99-399).

The placement of the responsibility for auditing and setting embassy security standards in the SEO would appear to contravene existing law. Do you, with the concurrence of the Secretary of State, plan to request an

amendment to existing law which would authorize the proposed activities of the SEO? On what basis have you proceeded thus far? Has the President issued an Executive Order to establish the SEO? Did the OMB approve a budget amendment to fund the SEO?

As you know the Committee has primary legislative and oversight jurisdiction over embassy security issues. At the very least, the Subcommittee on International Operations should hear formal testimony from you and the Secretary of State before proceeding with this very ad hoc proposal which appears to be in conflict with existing law.

I would appreciate your response to my questions and concerns. Thank you.